

TechCorp Industries

Annual Financial Report

Fiscal Year 2023

Building Tomorrow's Technology Today

Executive Summary

TechCorp Industries experienced exceptional growth in fiscal year 2023, demonstrating our continued commitment to innovation and customer satisfaction. Our strategic initiatives in product development and market expansion have yielded significant results.

Key Highlights:

- Total Revenue increased by 28% year-over-year to \$42.5 million
- Gross Profit Margin improved to 58%, up from 54% in 2022
- Net Income reached \$8.9 million, representing a 35% increase
- Customer base grew by 42% to over 5,000 active customers
- Successfully launched 15 new products across three categories

Financial Performance Overview

Our financial performance in 2023 reflects strong operational execution and market demand for our innovative product portfolio. Total revenue of \$42.5 million represents robust growth across all business segments and geographic regions.

The Electronics segment led growth with \$28.4 million in revenue (67% of total), followed by Furniture at \$9.4 million (22%), and Accessories at \$4.7 million (11%). Regional performance showed balanced growth, with the West region generating \$11.2 million, followed closely by the Central region at \$9.8 million.

Quarterly Revenue Breakdown

Quarter	Revenue (Millions)	Growth %	Net Income (Millions)
Q1 2023	\$9.2	22%	\$1.8
Q2 2023	\$9.8	25%	\$2.0
Q3 2023	\$10.1	27%	\$2.1
Q4 2023	\$13.4	35%	\$3.0
Total 2023	\$42.5	28%	\$8.9

Our quarterly performance shows consistent growth momentum throughout the year, with Q4 demonstrating exceptional strength driven by seasonal demand and successful product launches. The 35% year-over-year growth in Q4 significantly exceeded market expectations and positions us well for continued expansion in 2024.

Revenue by Business Segment

Segment	2023 Revenue	2022 Revenue	Growth	% of Total
Electronics	\$28.4M	\$21.8M	30%	67%
Furniture	\$9.4M	\$7.2M	31%	22%
Accessories	\$4.7M	\$4.2M	12%	11%
Total	\$42.5M	\$33.2M	28%	100%

Key Financial Metrics

Metric	2023	2022	Change
Total Revenue	\$42.5M	\$33.2M	+28%
Gross Profit	\$24.7M	\$17.9M	+38%
Gross Margin	58%	54%	+4 pts
Operating Income	\$11.2M	\$8.1M	+38%
Net Income	\$8.9M	\$6.6M	+35%
Net Margin	21%	20%	+1 pt
Total Assets	\$52.3M	\$41.2M	+27%
Shareholders Equity	\$38.7M	\$29.8M	+30%

Regional Performance

Our geographic expansion strategy delivered strong results across all regions. The West region led with \$11.2 million in revenue, benefiting from our expanded presence in major tech hubs. The Central region showed remarkable growth at \$9.8 million, while North, South, and East regions contributed \$8.9M, \$6.7M, and \$5.9M respectively.

Regional performance metrics:

- West: \$11.2M (26% of total) - 32% YoY growth
- Central: \$9.8M (23% of total) - 29% YoY growth
- North: \$8.9M (21% of total) - 26% YoY growth
- South: \$6.7M (16% of total) - 24% YoY growth
- East: \$5.9M (14% of total) - 25% YoY growth

2024 Outlook and Strategic Priorities

Looking ahead to 2024, we are well-positioned to build on our momentum with several strategic initiatives:

Revenue Growth Target: We project 25-30% revenue growth to \$53-55 million, driven by new product launches and geographic expansion.

Product Innovation: Investment in R&D will increase by 40% to accelerate our product development pipeline. We plan to launch 20+ new products across all segments.

Market Expansion: Entrance into international markets, beginning with Canada and select European markets in Q2 2024.

Operational Excellence: Implementation of advanced analytics and automation to improve efficiency and customer experience.

We remain committed to delivering value to our stakeholders while maintaining our focus on sustainable growth and innovation leadership.